

Appropriations Committee

March 9, 2023

Public Hearing on H.B. 6659 An Act Concerning the State Budget for the Biennium Ending June 30, 2025, and Making Appropriations Therefor.

Thank you for the opportunity to testify on H.B. 6659.

My name is Jennifer Percopo, and I have worked for Marrakech, Inc. for 8 years. Marrakech has been offering a broad array of services to people with disabilities and similar service needs in Connecticut for over 50 years.

I am here to request that you increase funding for community nonprofits during the biennium by 9% in FY24, the first year, and 7% in FY25, the second year, and indexed going forward.

This is important for both our staff and the individuals we support. While the cost of living for staff has gone up, so has the cost of living for the individuals we support. Their groceries are higher, their rent is higher, their utilities are higher, and are getting higher every year due to inflation. \$1,000 in 2008 is equivalent to \$1,389 today. This means that today's prices are almost 1.4 times higher than they were in 2008, some are more than double. The average cost of buying a home in 2008 was \$238,880. Today it is over \$415,000. The price of eggs in 2008 was \$1.83, today its \$4.99 and higher. Electricity cost \$0.08 per Kw, today its over \$0.18. Since the last cost of living increase, the cost to live has almost, and in some cases more than, doubled. Not only do our staff feel this, but the individuals we support do as well, as they have the same bills and expenses that we all have, and they feel the pressure probably even more. Many can't just go out to get a second job to make up the difference, they're relying on the State's budget.

When faced with the rising cost of living, our hardworking and compassionate staff have no choice but to seek 2<sup>nd</sup> and 3<sup>rd</sup> jobs, creating an unnecessary burnout and a lower quality of service. It also forces our staff to look for employment elsewhere, and we are currently in the middle of a staffing crisis. When I first started working for Marrakech in 2014 I was in the Recruitment department. We would receive at least 400 applications every single month, so many that we could barely even get through them all. We were able to hire the best of the best, to ensure we were providing the pinnacle of quality services. Now, we are lucky if we receive 40, and many of those 40 do not meet the minimum requirements to be considered for employment. The number of people we support has not dropped, in fact its increased. There is a waiting list of people needing services that keeps getting longer, but without staffing we can't offer these much needed supports. And without a better starting pay rate, with ongoing increases to match inflation, we will not be able to hire or retain staff. Why would someone take on the huge task of being responsible for the life and wellbeing of another person, when they can make more money starting as a cashier at Walmart or McDonald's with little responsibility?

Because of the recent rate increases at retail companies like McDonald's, Target, and Walmart, we are now losing staff at an alarming rate. Unlike those industries, we can't just increase our prices to pay for staff increases, we are at the mercy of the state and the budget. We're also now in direct competition with the State itself, who is right now in the middle of running a very large PR campaign to hire new state employees into direct care positions. The State is essentially setting the rates for private nonprofits, then recruiting the staff from those nonprofits at a much higher pay rate. The State needs to show that they value the work that the amazing staff of private nonprofits do day in and day out, and value the individuals receiving support.

Thank you for the opportunity to provide my perspective on the budget. Please support increasing funding for community nonprofits by 9% in FY24 and 7% in FY25, and indexed going forward.